

DE 99-186

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

Additional Petitioner: Concord Electric Company

Petition to Amend Franchise Border in the City of Concord,
New Hampshire

Order NISI Granting Petition

O R D E R N O. 23,387

January 7, 2000

The Petitioner, Public Service Company of New Hampshire (PSNH), and Concord Electric Company (CEC), filed a joint petition under NH RSA 374:22 and 374:26 with the New Hampshire Public Utilities Commission (Commission) on December 1, 1999, to amend their distribution franchise area border in the City of Concord, New Hampshire to accommodate the needs of several installations at the top of Oak Hill.

CEC services most of the City of Concord, with PSNH serving a small portion of the City. PSNH services most of the Town of Loudon, with CEC serving a small portion of the Town. Oak Hill lies on the border between the two municipalities and the two service territories. There are several installations at the top of Oak Hill including a fire tower operated by the New Hampshire Department of Resources and Economic Development (DRED), as well as communications equipment owned by Nextel Communications of Mid-Atlantic,

Inc., Radio Works, Inc., and Sprint Spectrum L.P. The communications companies and DRED will hereinafter collectively be referred to as the Summit Tenants. The summit of Oak Hill is owned by the State of New Hampshire, DRED, and is located in PSNH's service territory, although CEC's service territory is quite nearby. The two acre DRED ownership is surrounded by privately owned property on which some of the Summit Tenants' installations are located.

Currently, a power line run from the summit down to Oak Hill Road where a single meter collectively registers the usage of all the Summit Tenants. The power line is owned by DRED and leased to Radio Works which in turn sub leases to other Summit Tenants. This meter is located well within CEC's service territory. Up to now, the Summit Tenants have been apportioning the total bill from CEC; however they have requested remote metering from CEC so that each could receive an individual bill with their own usage. Installation of CEC's remote metering equipment at the summit within PSNH's territory would be contrary to RSA 374:22, I. without first gaining the permission of the Commission. The Summit Tenants sought PSNH's concurrence with this arrangement. CEC and PSNH decided that a permanent franchise border change was the best approach.

In order for PSNH to serve customers, PSNH would need to build a line from Loudon, through a portion of CEC's service territory, and up the service road to the summit of Oak Hill. The service road can be characterized as a "Jeep Road", accessible with four wheel drive vehicles during , at best three seasons a year. It is not practical or economically efficient for PSNH to serve this load.

Granting this Joint Petition would do little more than preserve the status quo. The Summit Tenants would remain customers of CEC, only now individually metered instead of master metered on Oak Hill. DRED's power line would remain in its current ownership. Operation and maintenance of the line would not become the responsibility of CEC. The remote meters would be installed and maintained by CEC. All costs associated with tele-metering installation and any future electric services added will be paid for by the customer(s) including monthly telephone charges for a dedicated line. The revenue to PSNH from serving the Summit Tenants directly would never justify the investment in a new PSNH line to the Summit, and the cost PSNH would charge the Summit Tenants to pay for the extension would be extremely high compared to the alternative of remote metering added to the current configuration. This proposal for remote metering with a

franchise border change eliminates the current metering, an arrangement disfavored under Commission rules, N.H. Code Admin. Rule Puc §303.02.

CEC and the Commission Staff are concerned about the reliability of DRED's line and the fact that the Summit Tenants will become direct customers of CEC but connected at the end of DRED's power line. As lessee of the power line, RadioWorks is primarily responsible for arranging maintenance of the line. RadioWorks has informed the other Summit Tenants that extended outages could be expected when major storms interrupt service to the regulated electric delivery companies, and private contractors may not be available to repair DRED's line on Oak Hill. Aware of this unique situation, the Summit Tenants have taken measures such as the installation of batteries and on-site generators to ensure an interim electric supply until a contractor becomes available to repair DRED's power line. RadioWorks has agreed to include an express caution in future sub-leases so that all Summit Tenants are aware of this unique situation.

An access easement, for use of the service road by CEC, will be granted by the property owners.

The Summit Tenants and the land owner have all requested the change to remote metering.

A map of the proposed franchise border adjustment is attached to the petition.

Although PSNH agrees with this proposal as the most efficient way of dealing with this particular situation, PSNH is not in favor of private lines being built for the purpose of obtaining service from another utility.

Based on these facts, CEC appears to be the most logical and rational choice to serve the Summit Tenants through remote metering.

Accordingly, the Commission finds that allowing PSNH and CEC to amend their franchise area border in the City of Concord, New Hampshire as requested is in the public good.

Based upon the foregoing, it is hereby

ORDERED NISI, that the Joint Petition of PSNH and CEC to amend their distribution franchise area border in the City of Concord, New Hampshire is granted; and it is

FURTHER ORDERED, that the distribution franchise of PSNH at the summit of Oak Hill be transferred to CEC; and it is

FURTHER ORDERED, that all construction and future construction shall meet the requirements of the National Electrical Safety Code and all other applicable safety standards in existence at that time; and it is

FURTHER ORDERED, that the joint petitioners file revised Commission Service Territory Maps for their respective territory within 60 days from the effective date of this order, reflecting the above changes in service area brought about by this revision in franchise boundaries and specifying thereon that the maps are effective on the date hereof by authority of the above Commission Order No.; and it is

FURTHER ORDERED, that the Petitioner shall cause a copy of this Order Nisi to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than January 14, 2000 and to be documented by affidavit filed with this office on or before January 24, 2000; and it is

FURTHER ORDERED, that all persons interested in responding to this petition be notified that they may submit their comments or file a written request for a hearing on this matter before the Commission no later than January 24, 2000; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than January 28, 2000; and it is

FURTHER ORDERED, that this Order Nisi shall be

effective February 7, 2000, unless the Commission provides otherwise in a supplemental order issued prior to the effective date.

By order of the Public Utilities Commission of New Hampshire this sixth day of January, 2000.

Douglas L. Patch
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Thomas B. Getz
Executive Director and Secretary